



1600 9th Street, Sacramento, CA 95814
(916) 654-2378

Date: May 4, 2004

To: ALL PERSPECTIVE BIDDERS

Subject: INVITATION FOR BID - # 04-74073-000
PREADMISSION SCREENING AND RESIDENT REVIEW/
MENTAL ILLNESS (PASRR/MI) LEVEL II EVALUATION PROCESS
FISCAL YEARS 2004-07

The Department of Mental Health (DMH) has received questions regarding the PASRR/MI Invitation for Bid (IFB). In an effort to keep the IFB process fair and to foster a level playing field, we are sharing with all prospective bidders each request for information and DMH's response on the attached pages.

If you have any questions relating to the attached information, please contact Stacie Kincaid at (916) 654-3245 or Patricia Vance-Harvey at (916) 657-5321.

Sincerely,

William A. Avritt
Deputy Director
Administrative Services

Enclosures

Questions from Prospective Bidders

1. Are the number of FTEs for the QA Directors and the Case Coordinators mandatory?
Can the FTEs be reduced and/or adjusted depending on case volume needs?

The FTEs in the IFB are based on more than 10 years experience with the PASRR program and the new PASRR/MI Level II emphasis on psychosocial rehabilitation. However, all FTEs are based on the estimated number of evaluations. If the number of evaluations is lower than anticipated, the Contractor can negotiate with the DMH about staff adjustments during the contract period.

2. Can a master's prepared RN with psychiatric experience, a Psychiatric Clinical Nurse Specialist, or a Psychiatric Nurse Practitioner function as an Evaluator or QA Director?

No. Evaluator disciplines are outlined on page 23 of the IFB. QA Director qualifications are outlined on page 27 of the IFB. In order to qualify, bidders must submit resumes for persons who have the qualifications and experience described in the IFB.

3. Is this program available to all Nursing Facilities (NF) in California?

PASRR applies to all Medicaid-certified NFs. Information about who is involved in this program is noted on pages 9 and 10 of the IFB.

4. Is this DMH program used by all NFs in California?

No, only Medicaid-certified NFs that admit persons who have or are suspected of having mental illness are required to refer persons to the DMH for PASRR/MI Level II evaluations. Information is stated on page 9 of the IFB.

5. Are the 2002-2003 referral numbers a reasonable estimate for the following 3 years?

The percentages by county are expected to be similar (see IFB Attachment III.1). The annual referrals for the next three years are estimated to be: 12,000 in fiscal year (FY) 2004-05; 12,600 in FY 2005-06; 13,230 in FY 2006-07. The DMH expects the actual number to be within 10 percent of these numbers annually, based on past experience. However, we can provide estimates for planning purposes only. Actual referrals to the DMH from sending hospitals and other facilities will determine the number forwarded to the Contractor.

Questions from Prospective Bidders

6. Is a formal technical proposal required in addition to the requirements listed in the letter to prospective bidders?

No, everything necessary to submit a bid is listed in the requirements. We outline in the IFB and Contractor Operations Manual how we expect the program to operate. (The Contractor Operations Manual can be viewed on www.dmh.ca.gov/progcomp/pasrr.asp.)

7. Will there be a pre-bidders conference?

No.

8. Will the current Contractor be allowed to bid on this contract?

Yes. Any person or group meeting the criteria outlined in the IFB may submit a Bid Package.

9. Evaluation costs for different types of Level II Evaluations differ from Section IV (page 42) and Attachment IV.2. Is it correct to assume that the rates in Section IV are for the old level II evaluation and the rates on Attachment IV2 are for the New Level II evaluation?

It is correct to assume that the rates in the box on page 42, Section IV are for the old Level II evaluation. It is the intention of the DMH to use the New Level II. The new contract will commence with Budget Act Approval and Department of General Services approval of the new three-year contract. The rates on Attachment IV.2 and your bid are based on the New Level II. Implementation of the New Level II in the field is contingent on the training of all staff and evaluators prior to implementation.

10. What is the approximate timeframe we should use for implementing the new Level II evaluation?

The contractor shall have a start-up phase not to exceed 45 days as stated on page 20 of the IFB. The DMH's intention is to begin the contract year with the New Level II in use. Prior to conducting field evaluations, all Contractor staff and evaluators must complete the mandatory training on New PASRR/MI Level II and Community Placement Alternatives.

Questions from Prospective Bidders

11. Could the 1 FTE Medical Director position be defined as .5 FTE Medical Director and .5 Associate Medical Director? This would allow for regional representation and continuing clinical involvement for the physicians.

If the bidder is the qualified lowest bidder, the DMH will discuss this option as part of contract negotiations. Both individuals must meet the Medical Director requirements stated in the IFB, pages 26-27.

12. Is there an opportunity to provide a written background of the company and its experience as part of the IFB response? Please delineate where this would be included in the response package, and if there are any page limits to this item.

If you choose to submit additional pages unrelated to the requirements, the State is under no obligation to review or consider them. The items listed in the cover letter and on pages 4-6 are those that are required in order to qualify your bid.

13. On pages 4 and 5, the IFB requests resumes, letters of reference and/or letters of commitment from prospective staff under this bid. Will the DMH consider an alternative to this requirement? For example, will the DMH consider submission of a job description that meets the requirements of the IFB in lieu of a resume, with submission of the items referenced above (resumes, etc.) after contract award?

No. The requirement is to submit the name and resume of the individual you propose for the specific positions required. It is understood that the actual hiring of staff is contingent on winning the bid and signing a contract with the DMH. All of the requirements noted on the cover letter and on pages 4-6 must be met in order to become a qualified bidder for this IFB. A job description is already included in the IFB.

14. On page 11, the IFB delineates three types of Level II evaluations. For the PAS evaluation, please provide data regarding the percentage of these evaluations that occur in the NF "on admission" and what percentage is conducted in the hospital or other setting?

In the past, most referrals were from NFs. However, the last communication regarding PASRR from Department of Health Services, the single state agency for Medicaid, was sent to all Skilled Nursing Facilities (SNFs), all Distinct Parts of Hospitals (DPs), and all Intermediate Care Facilities (ICFs) on February 9, 2004. Since this all-facilities letter (AFL #04-05) was sent out, we have seen a change in the facilities sending referrals.

Questions from Prospective Bidders

15. On page 13, the IFB states that referrals to the Contractor are made once a week. On page 31, the job descriptions reference referrals once per day. Please provide clarification.

Thank you for pointing out this inconsistency. Currently, downloads occur on a weekly basis. Reference to daily downloads on pages 30 and 31 should reflect weekly downloads.

16. On page 14, the RFP references the necessity of a final paper copy of the Level II assessment for the signatures of the QA Director and Medical Director. Will true, verified electronic signatures be allowed on the final Level II forms, or are paper copies required?

As stated in the IFB on page 14, Item #5, if a computer version of the PASRR/MI evaluation document is utilized by the evaluator, the Contractor will produce a hard copy, have it signed and dated by the evaluator, the Medical and QA Directors. This hard copy shall have three original signatures. The Contractor shall store all completed PASRR/MI Level II evaluations for a period of no less than seven years for possible DMH use.

17. May the History and Physical Examination referenced on page 18 (for Complete PASRR evaluations) be provided by an advanced practice nurse under the supervision of a physician?

No. This IFB requires the physical examination, if necessary, to be completed by a physician.

18. Would an advanced practice nurse with sufficient experience in mental health (defined as 2 years under this IFB) be allowed to complete the Level II evaluation in its entirety?

No. Acceptable disciplines for evaluators are noted on page 23 of the IFB.

19. Please provide the number of Evaluators (in Full Time Equivalents) utilized by the current vendor.

We do not use Full-Time Equivalents to estimate evaluation hours needed. The current Contractor has 20 active evaluators, most of whom are part-time evaluators. The number of hours worked by evaluators varies, depending on referrals received by the DMH and assigned by the Contractor. The New Level II evaluation is estimated to take an average of 75 to 90 minutes; however, this is only an approximate estimate, and would not apply to all individual situations.

Questions from Prospective Bidders

20. On page 24, the IFB requires a probationary period for new Evaluators, including payment of additional monies for the increased supervisory requirements. Where does the bidder price the estimated utilization regarding this requirement?

Evaluator training should be reflected on Attachment IV.3, Operating Expense, Item #8. Total amount budgeted would be dependent on the number of evaluators the bidder proposes to train. Adjustments between Operating Expense line items are allowed as needed, under contract with the DMH, up to the total amount allocated to Operating Expenses. Any company who is awarded the contract will be required to train all evaluators based on the New Level II evaluation document.

21. On page 32, the IFB states that the Programmer would work in a Windows environment. Please specify the software languages or programs in which the programmer would work.

For the PASRR/MI Level II evaluation, the Contractor's staff will be accessing DMH mainframe screens through DMH developed internet-accessible software that will be provided by the DMH. In addition, the Programmer needs to maintain an internal system (e.g., Access) for the Contractor that will be capable of importing the files from the DMH as explained on page 34 of the IFB.

22. On page 17, the IFB references the Contractor's responsibilities regarding Interpreters. Is it a correct assumption that the Contractor will utilize Interpreters or bilingual staff provided by the NF, if available, and will utilize available family members if Interpreters or staff are not available?

It is correct that NF staff can be utilized as interpreters if needed and available. As stated in the IFB on page 17, the DMH's first choice is an evaluator proficient in the individual's language. However, a bilingual NF staff or a professional interpreter is acceptable alternatives. Because of potential difficulty accepting or recognizing mental illness, family members may not be able to provide unbiased translation. However, the DMH encourages family members to participate in individual evaluations, if the individual evaluated [and the Lanterman-Petris-Short (LPS) Conservator, if one has been appointed by the Court] agrees.

23. The IFB has specified 13.5 FTE, excluding Evaluators. May the bidder propose an alternative staffing plan that effectively meets the budget parameters, utilizing fewer staff?

No. The requirements in the cover letter and pages 4-6 must be met in the bid package. The bid shall be judged qualified only if 13.5 FTEs are budgeted in the positions specified in the IFB.

Questions from Prospective Bidders

24. On page 47 the IFB specifies the reimbursement mechanisms under this contract. Under Personnel and Operating Costs, how does the contractor reflect overhead expenses (human resources, accounting) in the itemized invoices and receipts submitted?

There is no specific allowance for overhead expenses. These items would be noted on Attachment IV.3 under Operating Expenses. Your total Personnel and Operating Expense is a part of your total bid. The lowest qualified bidder selected will claim, in arrears. The DMH approval of all claims is required prior to approval for payment. Approval of items not specified on the list will be at the discretion of the DMH, and is not guaranteed.

25. Who is the incumbent contractor? For how long have they held the contract?

QTC Medical Group is the incumbent contractor. They have held the PASRR/MI contract for the past five years, eight months.

26. If there is an incumbent, what is the current rate per case, by review type?

DMH PASRR has two contracts running at the same time. One for Fiscal Years (FYs) 2001-04 and one for FY 2003-04 for the Expansion program, which was based on a separate IFB. Both use the old Level II. Rates for FY 2003-04 are as follows:

	Three-Year Contract	Expansion Contract
Complete	\$195	\$220
Partial	\$172	\$198
Suspend	\$103	\$100
Attempt	\$ 27	\$ 35
Premium	\$ 75	\$ 75

27. Please confirm that submission of a narrative proposal is not desired or required by the State. May the bidder therefore include an Executive Summary that describes its relevant experience and advantages? If not, may this information be presented in a Transmittal Letter?

Please refer to #12 above.

28. Has the State given consideration to using psychiatric registered nurses to conduct the PASRR/MI evaluations?

Please see the answer to #2 above. In order to qualify, your IFB proposal/bid shall be based on the acceptable disciplines for evaluators listed on IFB, page 23.

Questions from Prospective Bidders

29. Would the State consider allowing the position of Medical Director to be shared by two fully qualified individuals, with each devoting .5 FTE in a cooperative arrangements?

See question #11, above.

30. Are all individuals to be evaluated being referred from resident facilities? If not, what portion is referred from community placement, i.e., home health agencies that complete the Level I?

DMH PASRR does not receive nor require the information you are requesting on referrals. Facility and program numbers are assigned by the licensing agency, and the DMH PASRR Level II database attempts to match completed Level II facility names and numbers against those assigned. However, the DMH does not analyze data for comparison. (See also question #3, above.)

31. Approximately what portion of individuals to be evaluated require a full physical examination, i.e., have not had a prior medical exam within 90 days of the PASRR assessments?

During FY 2003-04, 415 Completes (evaluations requiring a physical exam) have been claimed. This represents approximately six percent of all evaluations returned by the Contractor to date for this fiscal year.

32. Can an applicant's primary care physician conduct the physical examination in lieu of a DMH-approved physician? If the patient is in a nursing facility (NF), can the NF's medical director thirty-day certification be used?

No. When the Contractor evaluator visits the NF, s/he is responsible for providing a physical exam if a physical has not been done within 90 days. If the evaluator's clinical scope of practice does not include the physical exam, the evaluator shall contact the Contractor who will assign an additional evaluator or a replacement evaluator.

33. If the PASRR contractor conducts the assessment, who pays for the physical examination? Is this included in the \$350-390 rate? Is it reimbursable by a third party, i.e., Medicare?

See question #32, above.

Questions from Prospective Bidders

34. Must the review be conducted by a physician or can a physician review the information collected by a clinician (such as an RN or PA) and only conduct an on-site visit when a negative determination is made, i.e., when the patient requires active treatment?

See question #32, above.

35. Is the training for the reviewers included in the rate or is training part of the administrative overhead?

All evaluators and Contractor staff must receive the New Level II training, which is a fixed budget amount on the bid sheets. [See Required Training (New Level II training)] The training for new evaluators after that is the Contractor Quality Assurance staff responsibility. Training that is part of the first three evaluations done by a new clinician shall be reflected in Item 8 under Operations Expenses. (Refer to page 24 in IFB. Also, see question #20, above.)

36. Is the contractor required to have the 13.5 FTSs, or if they determine they can operate the program more efficiently, can they use less than 13.5?

See question #23, above.

37. Evaluator requirements – The cover letter and page 5, #7 of your IFB indicates that the IFB should indicate evaluators letters of commitment, current license and current resume, however, in Section D, Staffing Requirement Sub-section IC page 24 for approval of evaluators the contractor needs to submit current resume, qualifications, credentials and additionally, **and two letters of reference**. Our question is: Is it acceptable, for those evaluators for whom the letters are late, to submit with the IFB the names of the references and telephone numbers with the understanding that those letters will be available prior to commencement of contract, if awarded?

In order to submit a qualified proposal, references for evaluators are not required. The lowest qualified bidder will need to submit all documents specified in the IFB on page 24, in order to meet specifications for each evaluator.

38. With respect to letters of commitment, all of our evaluators may be willing to travel to several local counties in their area, would it be acceptable in their letter of commitment to state the geographical area and its local counties, rather than listing multiple counties individually? (example, Bay area and local counties, rather than, San Francisco County, Alameda County, San Mateo County ... etc).

DMH is asking that the names of counties be given to avoid misunderstanding. Please list counties by name on the individual evaluator's letter of commitment.

Questions from Prospective Bidders

39. The IFB indicates a minimum of 10 evaluators are to be submitted. At this point, we have more than 10 evaluators. For those additional evaluators above the required 10, would you like us to include them in the IFB, or would it be preferable to submit a list with their names and license numbers so as to limit the amount of extra paperwork?

Submit 10 evaluators that meet the requirements. If you wish to include additional qualifying clinicians as part of your bid/proposal, the DMH does not have a responsibility to review more than 10.

40. Reference pages 26-27, Section III, subsection D.2.c (Medical Director and QA Directors): Item #2 of the duties of the Medical Director and QA Directors states “will conduct Level II evaluations only in the course of assisting with a temporary backlog of Level IIs. Any Level II evaluations conducted by the Medical Director (QA Directors) to help alleviate a temporary backlog must receive prior approval from the DMH.” May the Medical Director or any of the QA Directors perform Level II evaluations outside of the normal 40 hours per week, i.e., on weekends?

Such a variance would be discussed as part of contract negotiations if the bidder is the lowest qualified. However, the DMH does not guarantee approval of this variance to the requirements.

41. Reference pages 27-28, Section III, subsection D.2.c (QA Directors): “The QA Directors shall possess either 1) a current, unrestricted California license as a clinical psychologist; or 2) a current unrestricted California license as a clinical social worker.” Will the Department of Mental Health accept a physician meeting the qualifications of Medical Director (page 26 of the IFB) as meeting the requirements to fill a QA Director position?

First, in order to be considered a qualified bidder, individuals meeting the qualifications must be proposed. If the individual received training as a psychologist or clinical social worker, and holds multiple licenses, the DMH would have no objection.

42. Can a prospective bidder request a copy of the winning IFB of the last proposal awarded the PASRR/MI contract?

Yes. A copy will be provided by return mail, if requested.